MTUBATUBA MUNICIPALITY

FINANCIAL STATEMENTS

2007 / 2008

MTUBATUBA MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS

for the year ended

30 June 2008

I am responsible for the preparation of these annual financial statements, which are set out on page 1 to 38, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 17 of these annual financial statements are within the upper limits of the frameworks envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

Municipal Manager

Date

MTUBATUBA MUNICIPALITY

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MTUBATUBA MUNICIPALITY

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2008

	Notes	2008 R	2007 R
NET ASSETS AND LIABILITIES			
Net Assets		**30 152 054**	**29 793 415**
Housing Development Fund	**1**	1 852 762	513 934
Capital Replacement Reserve			55 416
Capitalisation Reserve		18 308 644	18 369 956
Government Grant Reserve		3 540 460	1 306 979
Revaluation Reserve			-
Accumulated Surplus/(Deficit)		6 450 188	9 547 130
Non-current Liabilities		**3 020 340**	**439 569**
Long-term Liabilities	**2**	3 020 340	439 569
Non-current Provisions		-	-
Current Liabilities		**7 615 118**	**7 488 103**
Provisions	**3.1**	335 345	135 345
Creditors	**3**	3 096 377	3 216 889
Unspent Conditional Grants and Receipts	**04/13**	3 719 352	4 082 597
VAT			
Bank Overdraft	**10**	299 211	-
Current Portion of Long-term Liabilities	**2**	164 833	53 272
Total Net Assets and Liabilities		**40 787 512**	**37 721 087**
ASSETS			
Non-current assets		**28 046 748**	**19 676 935**
Property, Plant and Equipment	**6**	28 046 748	19 676 935
Investment Property		-	-
Investments		-	-
Long-term Receivables		-	-
Current Assets		**12 740 764**	**18 044 152**
Consumer Debtors	**8**	10 092 918	8 330 743
VAT	**5**	761 139	1 884 150
Other Debtors	**9**	163 529	479 995
Call Investments Deposits	**7**	579 721	5 865 190
Bank Balances and Cash	**10**	1 143 457	1 484 074
Total Assets		**40 787 512**	**37 721 087**

MTUBATUBA MUNICIPALITY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2008

BUDGET				ACTUAL	
2007	2008	REVENUE		2008	2007
R	R			R	R
8 594 538	9 239 000	Assessment Rates	11	9 293 537	8 434 329
1 749 760	1 998 000	Waste Management	12	1 939 384	1 737 752
6 918 528	6 082 000	National Government Grants and Subsidies		6 082 223	6 918 528
305 000	-	Provincial Grants And Subsidies		562 900	-
151 586	250 000	Interest		474 023	568 766
4 473 000	9 593 000	Other Income	14	7 509 642	5 260 217
22 192 412	**27 162 000**	**TOTAL REVENUE**		**25 861 709**	**22 919 592**
		EXPENDITURE			
10 861 790	11 816 000	Employee Related Cost	15	11 926 380	10 271 079
1 564 250	1 664 000	Remuneration of Councillors	17	1 528 145	1 475 413
-	799 000	Depreciation		121 240	-
6 308 795	5 443 000	General Expenses	19	7 049 277	5 655 669
1 540 000	2 900 000	Repairs and Maintenance		2 208 456	1 239 987
296 855	-	Interest on External Borrowings	18	40 266	46 610
538 382	-	Other	19	4 075 065	304 625
254 168	157 000	Contributions		180 814	254 168
-	-	Bad Debts		-	-
805 000	4 383 000	Grants Expenditure		2 020 254	500 000
22 169 240	**27 162 000**	**GROSS EXPENDITURE**		**29 149 897**	**19 747 551**
22 169 240	**27 162 000**	**NET EXPENSES**		**29 149 897**	**19 747 551**
23 172	**-**	**NET SURPLUS / (DEFICIT) FOR THE YEAR**		**-3 288 188**	**3 172 041**

MTUBATUBA MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2008

	Pre-GAMAP Reserves and Funds	Capital Replacement Reserve	Housing Development Fumd	Capitalisation Reserve	Government Grants Reserve	Revaluation Reserve	Accumulated Surplus / (Deficit)	TOTAL
	R	R	R	R	R	R	R	R
2007								
Balance at 1Juty 2006	**50 763 492**						**689 702**	**51 453 194**
Implementation GAMAP (Note 26)	-50 763 492		513 934	18 325 424				-31 924 134
Change In Accounting Policy (Note 26)								0
Restated Balance	**-**	**-**	**513 934**	**18 325 424**	**-**	**-**	**689 702**	**19 529 060**
Net Surplus (Deficit) for the year							3 172 041	3 172 041
Transfer to CRR		55 416					-55 416	0
Property, Plant and Equipment Purchased.				44 532			-44 532	0
Capital Grants used to Purchase PPE					1 306 979		-1 306 979	0
Off - setting of Depreciation								0
Other Appropriations							7 092 314	7 092 314
Balance: 30 June 2007	**-**	**55 416**	**513 934**	**18 369 956**	**1 306 979**	**-**	**9 547 130**	**29 793 415**
2008								
Change In Accounting Policy (Note 26)								0
Restated Balance	**-**	**55 416**	**513 934**	**18 369 956**	**1 306 979**	**-**	**9 547 130**	**29 793 415**
Net Surplus (Deficit) for the year							-3 288 188	-3 288 188
Transfer to CRR		6 141 846					-6 141 846	0
Property, Plant and Equipment Purchased.		-6 197 262					6 197 262	0
Capital Grants used to Purchase PPE					2 293 791		-2 293 791	0
Transfer to housing Development Fund			196 370				-196 370	0
Asset Disposal				-382			382	0
Off - setting of Depreciation				-60 930	-60 310		121 240	0
Transfer to Appropriation of reserves.							2 504 369	2 504 369
Balance: 30 June 2008	**-**	**-**	**710 304**	**18 308 644**	**3 540 460**	**-**	**6 450 188**	**29 009 596**

MTUBATUBA MUNICIPALITY

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

		2008 R	2007 R
Cash receipts from ratepayers, government and other		34 516 260	39 066 578
Cash paid to suppliers and employees		-34 965 031	-39 734 601
Cash generated from operations		-448 771	-668 023
Interest received		474 023	552 249
Interest paid		-40 266	-46 610
Net cash from operating activities	20	**-15 014**	**-162 384**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		-8 491 053	-1 351 511
(Increase)/Decrease in Investments		5 285 469	-3 301 215
Transfer of Housing Development Accounts		-	-
Proceeds on disposalof property,plant and equipment		-	-
(Increase)/Decrease in current portion of non-current loans		-	-8 407
(Increase)/Decrease in non-current loans		-	-
Net Cash from investinng activities		**-3 205 584**	**-4 661 133**
CASH FLOW FROM FINANCING ACTIVITIES			
New loans raised (repaid)		2 580 771	213 215
Increase in deposits		-	50 600
Other capital receipts		-	-
Net cash from financing activities		**2 580 771**	263 815
Net increase/(Decrease) in cash and cash equivalents		**-639 827**	**-4 559 702**
Cash and Cash equivalents at the beginning of the year		1 484 074	1 000
Cash and Cash equivalents at the end of the year	10,21	844 247	1 483 074
		639 827	**1 484 074**

MTUBATUBA MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

		2008 R	2007 R
1	**HOUSING DEVELOPMENT FUND**		
	Housing Development Fund	710 304	513 934
	Receipts for Loans extinguished by Government	**710 304**	**513 934**
	on 1 April 1998		
	The Housing Development Fund is represented by the following assets and liabilities.		
*	Dukuduku Low Cost Housing Account	553 663	0
*	Mtubatuba Low Cost Housing Account	588 795	0
		1 142 458	**0**
*	Dukuduku & Mtubatuba low cost housing has been reclassified from creditors (Note 3)		
	Bank And Cash	1 852 762	513 934
	Total Housing Development Fund Assets and Liabilities	**1 852 762**	**513 934**
2	**LONG TERM LIABILITIES**		
	Annuity loans	3 185 173	492 841
	Less: Current portion transferred to current liabilities	-164 833	-53 272
	TOTAL EXTERNAL LOANS	**3 020 340**	**439 569**
	Refer to Appendix A for more detail on long term liabilities		
3	**CREDITORS**		
	Trade creditors	155 205	22 255
	Hall Hire Deposits	46 798	46 253
*	Dukuduku Low Cost Housing	0	626 123
*	Mtubatuba Low Cost Housing	0	449 880
	Payment received in advance	1 050 776	851 540
	Councillor Allowance Back Pay	0	6 478
	Life Savers	0	1 116
	Staff Leave	995 678	1 213 244
	Retention Capital Projects	230 114	0
	Other creditors	617 806	0
	TOTAL CREDITORS	**3 096 377**	**3 216 889**
*	The Dukuduku & Mtubatuba low cost housing accounts have been reclassified to Housing Develepment Fund (Note 1)		
3.1	**PROVISION**		
	Peformance Bonus	135 345	135 345
	Rehabilitation of St. Lucia Landfill site	200 000	0
		335 345	**135 345**

* Performance bonuses accrue to Section 56 and Section 57 employees on a yearly basis according certain conditions of there contracts.The provision is an estimate of the amount due to staff at the yearend.

* A provision has been provided for the investigation into the rehabilitation of the St. Lucia Landfill site. The final cost will be determined once the investigation is completed, where after funds will be provided over the next 5 financial years to cover the rehabilitation cost.

MTUBATUBA MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

		2008	2007
		R	R
4	**UNSPENT CONDITIONAL GRANTS AND RECEIPTS**		
	Disaster Claim Low Cost Housing	150 000	150 000
	M A P Control	0	206 996
	I D P Review	154 660	155 479
	P M S	392 991	265 000
	Indigent Support	0	35 730
	Lums	257 000	300 000
	G I S	70 000	70 000
	Finance Management Grant	655 749	948 022
	D C 27 Grant	0	30 000
	Library Service Fund	139 561	646 255
	Kwamsane Library Grant	0	6 916
	E - Learning	15 945	150 000
	Property Rates Act	298 153	154 153
	Inter Dept Monitoring	0	60 000
	M F M A	145 000	245 000
	Int Departmental Monitoring	0	184 000
	Municipal Development Planning	100 000	0
	Cultural Centre Grant	0	21 442
	Indigent Support	432 100	453 605
	LED Implementation Plan	25 056	0
	Gijima Tourism Strategy	7 180	0
	MSIG Grant	734 000	0
	Mtubatuba Library Assistant	141 957	0
	TOTAL UNSPENT CONDITIONAL GRANTS AND RECEIPTS	**3 719 352**	**4 082 597**
5	**VAT**		
	VAT (payable)/claimable	**761 139**	**1 884 150**
	VAT is payable on the receipts basis. Only once payment is received from debtors is VAT paid over to SARS.		

6 PROPERTY PLANT AND EQUIPMENT

30-Jun-08

Reconciliation of Carrying Value	Land and Buildings	Infra-structure	Community	Heritage	Other	Total
	R	R	R	R	R	R
Carrying values at 1 July 2007	**17 448 500**	**0**	**1 306 979.00**	**875 001**	**46 455**	**19 676 935**
Balance adjustment	0	0	0	0	0	0
Cost	3 771 998	1 265 955	934 352	0	2 518 748	8 491 053
Correction of error	0	0	-217 153	0	217 153	0
Accumulated depreciation	0	0	0	0	0	0
- Cost	0	0	0	0	0	0
Acquisitions	**3 771 998**	**1 265 955**	**717 199**	**0**	**2 735 901 0**	**8 491 053**
Depreciation	0	0	0	0	-121 240	-121 240
- based on cost	0	0	0	0	0	0
Carrying value of disposals	0	0	0	0	-382	-382
- Cost/revaluation	0	0	0	0	0	0
- Accumulated depreciation	0	0	0	0	0	0
Carry values at 30 June 2008	**21 220 498**	**1 265 955**	**2 024 178**	**875 001**	**2 660 734**	**28 046 748**
Cost	21 220 498	1 265 955	2 024 178	875 001	2 660 734	28 046 748
Accumulated depreciation	0	0	0	0	0	0
- Cost	0	0	0	0	0	0

30-Jun-07

Reconciliation of Carrying Value	Land and Buildings	Infra-structure	Community	Heritage	Other	Total
	R	R	R	R	R	R
Carrying values at 1 July 2006	**17 448 500**	**0**	**0**	**875 001**	**1 923**	**18 325 424**
Balance adjustment	0	0	0	0	0	0
Cost	17 448 500	0	0	875 001	1 923	18 325 424
Correction of error	0	0	0	0	0	0
Accumulated depreciation	0	0	0	0	0	0
- Cost	0	0	0	0	0	0
Acquisitions	**0**	**0**	**1 306 979**	**0**	**44 532**	**1 351 511**
Depreciation	0	0	0	0	0	0
- based on cost	0	0	0	0	0	0
Carrying value of disposals	0	0	0	0	0	0
- Cost/revaluation	0	0	0	0	0	0
- Accumulated depreciation	0	0	0	0	0	0
Carry values at 30 June 2007	**17 448 500**	**0**	**1 306 979**	**875 001**	**46 455**	**19 676 935**
Cost	17 448 500	0	1 306 979	875 001	46 455	19 676 935
Accumulated depreciation	0	0	0	0	0	0
- Cost	0	0	0	0	0	0

Assets were not revaluated due to the exemptions issued in Government Gazette 30013 dated 29 June 2007

		2008	2007
7	**CALL INVESTMENTS DEPOSITS**	**R**	**R**
	Deposits	579 721	5 865 190
	Less: Provision for doubtful investment	0	0
	TOTAL INVESTMENTS	**579 721**	**5 865 190**
	Allocation of external investments		
	In terms of legislation, surplus cash is invested until used for specific purposes.		
	Investments are allocated on the following basis:		
	Capital Replacement Reserve	0	55 415
	Housing Development Account	0	513 934
	Reserve Funds	0	1 213 244
	Capital Grants	579 721	4 082 597
	General Fund	0	0
	TOTAL INVESTMENTS	**579 721**	**5 865 190**

8 CONSUMER DEBTORS

As at 30 June 2008	Outstanding Balances	Payment in Advance	Gross Balances	Provision for Bad Debts	Net Balance
Service debtors					
Rates	20 225 354	874 737	19 350 617	11 755 944	8 469 410
Refuse	3 347 510	171 077	3 176 433	1 929 756	1 417 754
Special Rating Area	516 068	4 465	511 603	310 811	205 257
Sundries	497	497	0	0	497
VAT	0.00	0.00	0	0	0
TOTAL	**24 089 429**	**1 050 776**	**23 038 653**	**13 996 511**	**10 092 918**
As at 30 June 2007					
Rates			15 378 421	8 981 309	6 397 112
Refuse			2 233 810	1 304 590	929 220
Special Rating Area			367 500	214 628	152 872
Sundries			0	0	0
VAT			0	0	0
TOTAL			**17 979 731**	**10 500 527**	**7 479 204**

Rates ; Ageing		
Current (0 - 30 days)	453 701	-394 611
31 - 60 days	362 991	0
61 - 90 days	332 346	412 682
91 - 120 days	297 549	341 727
Over 120 days	17 904 030	15 018 623
TOTAL	**19 350 617**	**15 378 421**
Refuse; Ageing		
Current (0 - 30 days)	86 480	-207 871
31 - 60 days	84 060	83 067
61 - 90 days	75 546	69 720
91 - 120 days	64 835	68 072
Over 120 days	2 865 512	2 220 822
TOTAL	**3 176 433**	**2 233 810**

	2008	2007
Special Rating Area ; Ageing	**R**	**R**
Current (0 - 30 days)	121 777	102 990
31 - 60 days	36 766	27 596
61 - 90 days	30 464	23 771
91 - 120 days	21 501	19 640
Over 120 days	301 095	193 503
TOTAL	**511 603**	**367 500**

Summary of Debtors by Customer Classification

As at 30 June 2008	**Residential**	**Industrial / Commercial**	**National and Provincial Government**
Current (0 - 30 days)	44 531	544 174	73 176
31 - 60 days	591 296	257 727	73 176
61 - 90 days	520 731	168 190	73 176
91 - 120 days	16 245 764	2 089 098	2 357 614
121 - 150 days	0	0	0
151 - 180 days	0	0	0
Sub - total	**17 402 322**	**3 059 189**	**2 577 142**
Less: Provision for bad debts	10 572 310	1 858 528	1 565 673
Total debtors by customer classification	**6 830 012**	**1 200 661**	**1 011 469**

Summary of Debtors by Customer Classification

As at 30 June 2007	**Residential**	**Industrial / Industrial / Commercial**	**National and National and Provincial Government**
Current (0 - 30 days)	0	0	0
31 - 60 days	0	0	28 200
61 - 90 days	0	0	28 200
91 - 120 days	0	0	28 200
121 - 150 days	0	0	28 200
151 - 180 days	0	0	1 195 780
Sub - total	0	0	1 308 580
Less: Provision for bad debts	0	0	0
Total debtors by customer classification	**0**	**0**	**1 308 580**

		2008	2007
9	**OTHER DEBTORS**	**R**	**R**
	Other Debtors	67 507	0
	ESKOM Deposit	74 022	12 422
	ESKOM Deposit Contra Investment	0	191 600
	Vakashala SS Feul Deposit	22 000	2 000
	Sundry Debtors Wetlands Park	0	10 000
	Sundry Debtors Unreconciled	0	0
	Hlabisa Sundry	0	0
	Umkhanyakude Transfer	0	0
	Sundry Debtor D B S A Loan	0	263 973
	TOTAL OTHER DEBTORS	**163 529**	**479 995**

MTUBATUBA MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

		2008	2007
10	**BANK OVERDRAFT AND BANK BALANCES AND CASH**	**R**	**R**
	The Municipality has the following bank accounts:-		
	Current Account (Primary Bank Account)		
	First National Bank - Mtubatuba		
	Account Number: 53093735184		
	Cash book balance at beginning of year	407 071	5 588 935
	Cash book balance at end of year	**-299 211**	**407 071**
	Bank statement balance at beginning of year	1 128 462	5 806 861
	Bank statement balance at end of year	**1 090 515**	**1 128 462**
	Current Account (Mtubatuba Low Cost Housing)		
	First National Bank - Mtubatuba		
	Account Number: 62050462606		
	Cash book balance at beginning of year	449 880	304 666
	Cash book balance at end of year	**588 794**	**449 880**
	Bank statement balance at beginning of year	449 880	304 666
	Bank statement balance at end of year	**588 794**	**449 880**
	Current Account (Dukuduku Low Cost Housing)		
	First National Bank - Mtubatuba		
	Account Number: 62050465858		
	Cash book balance at beginning of year	626 123	148 675
	Cash book balance at end of year	**553 663**	**626 123**
	Bank statement balance at beginning of year	626 123	148 675
	Bank statement balance at end of year	**553 663**	**626 123**
	PETTY CASH		
	Balance at beginning of year	1 000	1 500
	Balance at end of year	**1 000**	**1 000**
	TOTAL CASH AND CASH EQUIVALENTS	**1 143 457**	**1 484 074**
11	**ASSESSMENT RATES**		
	Actual		
	Residential		
	Commercial		
	State		
	TOTAL ASSESSMENT RATES	**9 293 537**	**8 434 329**
	Valuation	**R 000's**	**R 000's**
	Non-ratable		
	Residential		
	Commercial		
	State		
	Municipal		
	TOTAL PROPERTY VALUATIONS	**152 093 100**	**145 930 400**

Valuations on Land and Buildings are performed every four years. The last valuation came into effect on 1 July 1997. Interm valuations are processed on a regular basis.

		2008	2007
12	**WASTE MANAGEMENT**	**R**	**R**
	Refuse Removal	1 939 384	1 737 752
	Amortised cost adjustment		
	TOTAL SERVICE CHARGES	**1 939 384**	**1 737 752**
13	**GOVERNMENT GRANTS AND SUBSIDIES**		
	Disaster Claim Low Cost Housing	150 000	150 000
	M A P Control	0	206 996
	I D P Review	154 660	155 479
	P M S	392 991	265 000
	Indigent Support	0	35 730
	Lums	257 000	300 000
	G I S	70 000	70 000
	Finance Management Grant	655 749	948 022
	D C 27 Grant	0	30 000
	Library Service Fund	139 561	646 255
	Kwamsane Library Grant	0	6 916
	E - Learning	15 945	150 000
	Property Rates Act	298 153	154 153
	Inter Dept Monitoring	0	60 000
	M F M A	145 000	245 000
	Int Departmental Monitoring	0	184 000
	Municipal Development Planning	100 000	0
	Cultural Centre Grant	0	21 442
	Indigent Support	432 100	453 605
	LED Implementation Plan	25 056	0
	Gijima Tourism Strategy	7 180	0
	MSIG Grant	734 000	0
	Mtubatuba Library Assistant	141 957 0	0
	TOTAL UNSPENT CONDITIONAL GRANTS AND RECEIPTS	**3 719 352**	**4 082 597**
13.1	**EQUITABLE SHARE**		
	In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.		
13.2	**DISASTER CLAIM LOW COST HOUSING**		
	Balance unspent at beginning of year	150 000	150 000
	Current year receipts	0	0
	Conditions met transferred to revenue	0	0
	CONDITIONS STILL TO BE MET	**150 000**	**150 000**
	Grants be given by government for damage on crops.		
13.3	**MAP CONTROL**		
	Balance unspent at beginning of year	206 996	556 959
	Current year receipts	100 000	0
	Corrections	0	220 865
	Conditions met Transferred to Revenue	-306 996	-570 828
	CONDITIONS STILL TO BE MET	**0**	**206 996**
	Provincial grants to assist certain municipalies to comply with issues regarding legislation and financial matters. Grants is spent accordance with a business plan approved by the Provincial Government. Other than the spent amount, the conditions of the grant have been met.No funds have been withheld.		

MTUBATUBA MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

		2008	2007
13.4	**IDP REVIEW**	**R**	**R**
	Balance spent at beginning of year	155 479	330 107
	Current year receipts	220 000	0
	Corrections	0	29 976
	Conditions met transferred to revenue	-220 819	-204 604
	CONDITIONS STILL TO BE MET	**154 660**	**155 479**
13.5	**PMS GRANT**		
	Balance spent at beginning of year	265 000	265 000
	Current year receipts	262 900	0
	Conditions met Transferred to Revenue	-134 909	0
	CONDITIONS STILL TO BE MET	**392 991**	**265 000**
13.6	**INDIGENT SUPPORT GRANT**		
	Balance unspent at beginning of year	35 730	35 730
	Current year receipts	0	0
	Conditions met transferred to revenue	-35 730	0
	CONDITIONS STILL TO BE MET	**0**	**35 730**
13.7	**LUMS GRANT**		
	Balance unspent at beginning of year	300 000	300 000
	Current year receipts	3 600	0
	Conditions met transferred to revenue	-46 600	0
	CONDITIONS STILL TO BE MET	**257 000**	**300 000**
13.8	**GIS GRANT**		
	Balance unspent at beginning of year	70 000	70 000
	Current year receipts	0	0
	Conditions met transferred to revenue	0	0
	CONDITIONS STILL TO BE MET	**70 000**	**70 000**
13.9	**INTEGRATED SYSTEMS GRANT**		
	Balance unspent at beginning of year	0	34 517
	Current year receipts	0	0
	Corrections	0	35 249
	Conditions met transferred to revenue	0	-69 766
	CONDITIONS STILL TO BE MET	**0**	**0**
13.10	**FINANCE MANAGEMENT GRANT**		
	Balance unspent at beginning of year	948 022	198 022
	Current year receipts	250 000	500 000
	Corrections		250 000
	Conditions met transferred to revenue	-542 273	0
	CONDITIONS STILL TO BE MET	**655 749**	**948 022**
13.11	**DC 27 GRANT**		
	Balance unspent at beginning of year	30 000	30 000
	Current year receipts	0	0
	Conditions met transferred to revenue	-30 000	0
	CONDITIONS STILL TO BE MET	**0**	**30 000**

MTUBATUBA MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

		2008	2007
13.12	**UNIDENTIFIED GRANTS**	**R**	**R**
	Balance unspent at beginning of year	0	250 000
	Current year receipts	0	0
	Corrections	0	-250 000
	Conditions met transferred to revenue	0	0
	CONDITIONS STILL TO BE MET	**0**	**0**
13.13	**LIBRARY SERVICE GRANT**		
	Balance unspent at beginning of year	646 255	1 088 620
	Current year receipts	159 837	1 031 449
	Corrections		308 068
	Conditions met transferred to revenue	-666 531	-1 781 882
	CONDITIONS STILL TO BE MET	**139 561**	**646 255**
13.14	**KWAMSANE LIBRARY GRANT**		
	Balance unspent at beginning of year	6 916	6 916
	Current year receipts	0	0
	Conditions met transferred to revenue	-6 916	0
	CONDITIONS STILL TO BE MET	**0**	**6 916**
13.15	**E-LEARNING GRANT**		
	Balance unspent at beginning of year	150 000	150 000
	Current year receipts	0	0
	Conditions met transferred to revenue	-134 055	0
	CONDITIONS STILL TO BE MET	**15 945**	**150 000**
13.16	**PROPERTY RATES ACT GRANT**		
	Balance unspent at beginning of year	154 153	63 125
	Corrections	0	1 256
	Current year receipts	144 000	100 000
	Conditions met transferred to revenue	0	-10 228
	CONDITIONS STILL TO BE MET	**298 153**	**154 153**
13.17	**INTER DEPARTMENTAL MONITORING GRANT**		
	Balance unspent at beginning of year	60 000	60 000
	Current year receipts	0	0
	Conditions met transferred to revenue	-60 000	0
	CONDITIONS STILL TO BE MET	**0**	**60 000**
13.18	**M F M A GRANT**		
	Balance unspent at beginning of year	245 000	245 000
	Current year receipts	0	0
	Transfer	-100 000	0
	CONDITIONS STILL TO BE MET	**145 000**	**245 000**
13.19	**INTER DEPARTMENTAL MONITORING GRANT**		
	Balance unspent at beginning of year	184 000	184 000
	Transfer	-144 000	0
	Conditions met transferred to revenue	-40 000	0
	CONDITIONS STILL TO BE MET	**0**	**184 000**

MTUBATUBA MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

		2008	2007
		R	R
13.20	**COMM/L E D OUTREACH FUND**		
	Balance unspent at beginning of year	0	527 700
	Current year receipts	0	0
	Conditions met transferred to revenue	0	-527 700
	CONDITIONS STILL TO BE MET	**0**	**0**
13.21	**CULTURAL CENTRE GRANT**		
	Balance unspent at beginning of year	21 442	58 162
	Current year receipts	0	0
	Conditions met transferred to revenue	-21 442	-36 720
	CONDITIONS STILL TO BE MET	**0**	**21 442**
13.22	**MUNICIPAL DEVELOPMENT PLANNING**		
	Balance unspent at beginning of year	0	0
	Current year receipts	100 000	0
	Conditions met transferred to revenue	0	0
	CONDITIONS STILL TO BE MET	**100 000**	**0**
13.23	**LED IMPLEMENTATION PLAN**		
	Balance unspent at beginning of year		0
	Current year receipts	66 951	0
	Conditions met transferred to revenue	-41 895	0
	CONDITIONS STILL TO BE MET	**25 056**	**0**
13.24	**GIJIMA TOURISM STRATEGY**		
	Balance unspent at beginning of year	0	0
	Current year receipts	71 181	0
	Conditions met transferred to revenue	-64 001	0
	CONDITIONS STILL TO BE MET	**7 180**	**0**
13.25	**INDIGENT SUPPORT GRANT**		
	Balance unspent at beginning of year	453 604	453 604
	Current year receipts	0	0
	Conditions met transferred to revenue	-21 504	0
	CONDITIONS STILL TO BE MET	**432 100**	**453 604**
13.26	**MSIG GRANT (FOR M.P.R.A.)**		
	Balance unspent at beginning of year	0	0
	Current year receipts	734 000	0
	Conditions met transferred to revenue	0	0
	CONDITIONS STILL TO BE MET	**734 000**	**0**
13.27	**MTUBATUBA LIBRARY ASSISTANT**		
	Balance unspent at beginning of year	0	0
	Current year receipts	177 800	0
	Conditions met transferred to revenue	-35 843	0
	CONDITIONS STILL TO BE MET	**141 957**	**0**
14	**OTHER INCOME**		
	Other Income	7 509 642	5 260 217
	TOTAL OTHER INCOME	**7 509 642**	**5 260 217**

MTUBATUBA MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

		2008	2007
15	**EMPLOYEE RELATED COSTS**		
	Employee related costs - Salaries and wages	8 158 673	8 194 052
	Employee related costs - Contr. for UIF, pens. and medical aids	1 630 458	1 410 162
	Travel, motor car, accomm., subsistence and other allowances	966 467	1 169 184
	Housing benefits and allowances	23 433	16 342
	Overtime payments	1 147 348	956 752
	Performance bonus	0	0
	Long-service awards	0	0
	Less: Employee costs unauthorize to Property, Plant and Equip.	0	0
	Less: Employee costs include in other expenses	0	0
	TOTAL EMPLOYEE RELATED COSTS	**11 926 380**	**11 746 492**
16	**REMUNERATION OF THE MUNICIPAL MANAGER**		
	Annual Remuneration	487 062	166 104
	Performance Bonuses	0	0
	TOTAL	**487 062**	**166 104**
16.1	**REMUNERATION OF THE MANAGER FINANCIAL SERVICES**		
	Annual Remuneration	409 777	385 600
	Performance Bonuses	0	0
	TOTAL	**409 777**	**385 600**
16.2	**REMUNERATION OF THE MANAGER COMMUNITY SERVICES**		
	Annual Remuneration	384 094	360 889
	Performance Bonuses	0	24 142
	TOTAL	**384 094**	**385 031**
16.3	**REMUNERATION OF THE MANAGER TECHNICAL SERVICES**		
	Annual Remuneration	393 694	127 827
	Performance Bonuses	0	0
	TOTAL	**393 694**	**127 827**
16.4	**REMUNERATION OF THE MANAGER CORPORATE SERVICES**	**R**	**R**
	Annual Remuneration	196 847	127 827
	Performance Bonuses	0	0
	TOTAL	**196 847**	**127 827**
17	**REMUNERATION OF COUNCILLORS**		
	Mayor	238 136	220 589
	Deputy Mayor	192 217	178 056
	Speaker	192 217	178 056
	Executive Committee Members	107 503	166 702
	Councillors	798 071	732 010
	TOTA COUNCILLORS REMUNERATION	**1 528 145**	**1 475 413**
	In -kind Benefits		
	The Mayor is provided with an office and Secretarial support at the cost of Council		
18	**INTEREST ON EXTERNAL BORROWINGS**		
	Long - term liabilities	40 266	46 610
	Bank Overdrafts	0	0
	TOTAL INTEREST ON EXTERNAL BORROWINGS	**40 266**	**46 610**

MTUBATUBA MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

		2008 R	2007 R
19	**GENERAL EXPENDITURE**		
	General expenses - other: as per appendix E(1)	**11 124 342**	**5 960 294**
	Contracted services: as per appendix E(1)	0	0
	Subtotal	**11 124 342**	**5 960 294**
	Less Contributions as per Statement of Finan.Performance	0	0
	General expenses as per Statement of Finan.Performance	**11 124 342**	**5 960 294**
20	**CASH GENERATED BY OPERATIONS**		
	Net surplus (deficit) for the year	-3 288 188	3 172 041
	Adjustments for:		
	Offsetting of Depreciation	121 240	0
	Capital Adjustment CRR	-6 141 846	-55 416
	Capital from CRR	6 197 262	44 532
	Capital Grants used to purchase PPE	793 791	-1 306 979
	Contribution to bad debt provision	3 495 984	0
	Contribution for leave provision	-60 976	0
	Transfer to housing development fund	196 370	0
	Other appropriations	0	9 598 635
	Interest Received	-474 023	-552 249
	Interest Paid	40 266	46 610
	Operating surplus before working capital changes	**879 880**	**10 947 174**
	(Increase)/Decrease in debtors	-1 762 175	3 258 587
	(Increase)/Decrease in other debtors	316 466	4 457 814
	Increase/(Decrease) in reserves	-363 246	-974 864
	Increase/(Decrease) in creditors	-120 512	1 551 086
	Increase/(Decrease) in current portions of long term liabilities	111 561	-8 407
	Increase/(Decrease) in VAT	1 123 011	-1 884 150
	Transfers to accumulated depreciation	0	0
	Increase/(Decrease) in statutory funds	0	-17 811 573
	Increase/(Decrease) in Long Term Liabilities	0	213 215
	(Increase)/Decrease Provisions	-200 000	135 345
	NETT CASH FROM OPERATING ACTIVITIES	**-15 014**	**-115 773**

MTUBATUBA MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

		2008	2007
21	**CASH AND CASH EQUIVALENTS**	**R**	**R**
	Bank Balance and Cash	1 000	1 000
	Bank Overdraft	-299 211	407 071
	Total Cash and Cash equivalents	**-298 211**	**408 071**
22	**ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT**		
	Contributions to SALGA		
	Opening balance	0	0
	Council subscriptions	38 529	45 489
	Amount paid current year	-38 529	-45 489
	Amount paid previous year	0	0
	TOTAL	**0**	**0**
23	**Audit fees**		
	Opening balance	0	0
	Current year :External	310 918	370 685
	Current year :Internal	156 233	0
	Amount paid current year : External	-310 918	-370 685
	Amount paid current year : Internal	-156 233	0
	Amount paid previous year	0	0
	TOTAL	**0**	**0**
24	**VAT**		
	VAT inputs receivable and VAT outputs receivable are shown in note 5. All VAT returns have been submitted by the due date throughout the year.		
25	**PAYE and UIF**		
	Opening balance		
	Current year payroll deductions	1 339 912	1 058 878
	Amount paid	-1 339 912	-1 058 878
	Amount paid previous year	0	
	BALANCE UNPAID	**0**	**0**
26	**CHANGE IN ACCOUNTING POLICY - IMPLEMENTATION OF GAMAP**		
	The following adjustments were made to amounts previously reported in the annual financial statements of the Municipality arising from the implementation of GAMAP :-		
26.1	**Statutory Funds**		
	Balance Previously Reported :-		
	Capital Development Fund	0	7 719 737
	PIF fund	0	18 332 798
	Housing Operating Fund	0	12 846 778
	Total	**0**	**38 899 313**
	Implementation of GAMAP		
	Transferred to Accumulated Surplus/(Deficit)	0	38 899 313
	Total	**0**	**38 899 313**

MTUBATUBA MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

		2008	2007
26.2	**Loans Redeemed ans Other Capital Receipts**	**R**	**R**
	Balance Previously Reported :-		
	Loans Redeemed	0	4 667 458
	Contributions From Operating Income	0	7 626 320
	Public Contributions	0	317 848
	Grants and Subsidies	0	16 703 257
	Total	**0**	**29 314 883**
	Implementation of GAMAP		
	Transferred to Accumulated Surplus/(Deficit) (See 26.6 below)	0	29 314 883
	Total	**0**	**29 314 883**
26.3	**Housing Inventory**		
	Balance Previously Reported :-	**0**	**26 139 006**
	Implementation of GAMAP		
	Transferred to Accumulated Surplus/(Deficit) (See 26.6 below)	0	26 139 006
	Total	**0**	**26 139 006**
26.4	**Property, Plant and Equipment**		
	Balance Previously Reported :-	**0**	**50 763 492**
	Implementation of GAMAP		
	Infrastructure and Other Assets not correct recorded credited to	0	-32 438 068
	Accumulated Surplus/(Deficit)	0	
	Total	**0**	**-32 438 068**
26.5	**Accumulated Depreciation**	**R**	**R**
	Balance Previously Reported :-	**0**	**0**
	Implementation of GAMAP		
	Backlog Depreciation : Land and Buildings	0	0
	Backlog Depreciation : Infrastructure	0	0
	Backlog Depreciation : Community	0	0
	Backlog Depreciation : Other	0	0
	Backlog Depreciation : Housing Development Fund	0	0
	Total (Debited To Accumulated Surplus/(Deficit) (See 26.6 Below)	**0**	**0**
26.6	**Accumulated Surplus/(Deficit)**		
	Implementation of GAMAP		
	Transfered from Statory Funds (See 26.1 above)	0	38 899 313
	Transfered from Loans Redeemed and Other Capital Receipts (See 26.2 above)	0	29 314 883
	Transfered from Housing Inventory (See 26.3 above)	0	26 139 006
	Fair Value of Property Plant and Equipment previously not correctly recorded (See 26.	0	-32 438 068
	Backlog depreciation (See 26.5 above)	0	0
	Total (Debited To Accumulated Surplus/(Deficit) (See 26.6 Below)	**0**	**61 915 134**
27	**CORRECTION OF ERROR**		
	Infrastructure	-217 153	0
	Community	0	0
	Other	217 153	0
	NETTO	**0**	**0**
	During the year transfers took place between departments		

MTUBATUBA MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

		2008 R	2007 R
28	**CAPITAL COMMITMENTS**		
	Commitments in respect of capital expenditure		
	Approved and contracted for:	0	0
	- Infrastructure	1 479 000	0
	- Community	137 922	0
	- Other	287 430	
	Approved but not yet contracted for:		
	- Infrastructure	0	0
	- Community	0	0
	- Other	0	1 724 005
	TOTAL	**1 904 352**	**1 724 005**
	This expenditure will be financed from:		
	- Asset Financing Reserves	1 904 352	1 724 005
	- Government Grants	0	0
	TOTAL	**1 904 352**	**1 724 005**

29 RETIREMENT BENEFIT INFORMATION

The Councillors an Employees belong to the following pension funds:

1. Joint Municipal Pension Fund (Closed)	A pension is paid on retirement
2. Municipal Gratuity Fund	Council's and employee's are paid out on resignation or retirement
3. SALA Pension Fund	A pension is paid on retirement
4. Municipal Pension Fund	A pension is paid on retirement
5. Councillor Pension Fund	A pension is paid on retirement

6. Council's contributions are a benefit to the members and cannot be refunded to Council.
7. Council contributed an amount of R 1 219 533.22 to employees pension fund during 2007/2008.

"NO OBLIGATION BY COUNCIL IF FUND CANNOT PAY"

		2008 R	2007 R
30	**CONTIGENT LIABILITY**		
	Claim lodge against council by the owner of Lot 1077 Kwamsane for damage due to blocked drain systems of council.	30 000	139 000
31	**FRUITLESS AND WASTEFUL EXPENDITURE**		
	Municipality was targeted by a fraudulent scheme and the amount was paid out.	**0**	**0**

32 RISK MANAGEMENT AND RISK EXPOSURE

Deposits and all financial liabilities attract interest at a rate that varies with prime. Credit risk consist mainly of cash deposits, cash and cash equivalent and trade debtors. The municipality only deposit cash with banks with high quality credit standing. Trade receivables comprise of widespread customer base. Credit risk related to customers is evaluated on an ongoing basis.

33 EVENTS AFTER REPORTING DATE

There are no material events that took place after reporting date.

34 ANNUAL FINANCIAL STATEMENTS

The annual financial statements of Mtubatuba Municipality for 2007/2008 have been compiled in accordance the exemptions provided in terms of Government Gazette 30013

APPENDIX A

MTUBATUBA MUNICIPALITY

SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2008

EXTERNAL LOANS	LOAN NUMBER	REDEEM-ABLE	BALANCE AT 30-Jun-07	RECEIVED DURING THE PERIOD	REDEEMED WRITTEN OFF DURING THE YEAR	BALANCE AT 30-Jun-08	CARRYING VALUE OF PROPERTY, PLANT AND EQUIPMENT	OTHER COSTS IN ACCOR-DANCE WITH MFMA
LONG TERM LOANS								
D B S A @17.13%	12380/102	31-Dec-10	228 868	-	52 054	176 814		
D B S A @8.16%	12381/102	30-Jun-18	263 973	3 005 000	260 614	3 008 359		
TOTAL EXTERNAL LOANS			**492 841**	**3 005 000**	**312 668**	**3 185 173**	**-**	**-**

APPENDIX B
MTUBATUBA MUNICIPALITY

ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED 30 JUNE 2008

	COST				ACCUMULATED DEPRECIATION				Carrying Value	Budget Additions
	Opening Balance	Additions	Disposals/ Transfers	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance		2008
				R				R		
LAND AND BUILDINGS	**17 448 500**	**3 748 340**	**0**	**21 196 840**	**0**	**0**	**0**	**0**	**21 196 840**	**3 748 340**
Land	16 246 500	24 729	-	16 271 229		-	-	-	**16 271 229**	24 729
Buildings	1 202 000	3 723 611	-	4 925 611	-	-	-	-	**4 925 611**	3 723 611
INFRASTRUCTURE	**0**	**1 289 612**	**0**	**1 289 612**	**0**	**0**	**0**	**0**	**1 289 612**	**1 289 612**
Stormwater									**-**	
Drains									**-**	
Roads		1 265 955		1 265 955					**1 265 955**	1 265 955
Street Lighting		23 657		23 657					**23 657**	23 657
COMMUNITY ASSETS	**1 306 979**	**934 353**	**-217 153**	**2 024 179**	**0**	**0**	**0**	**0**	**2 024 179**	**934 353**
Parks and Gardens		-	-	-			-	-	**-**	0
Sportsfields		66 241		66 241					**66 241**	66 241
Community Hallls		223 075		223 075					**223 075**	223 075
Library	1 306 979	645 037	-217 153	1 734 863			-	-	**1 734 863**	645 037
Licences		-	-	-			-	-	**-**	0
Parks and Recreation			-	-			-	-	**-**	0
Council's General Account		-	-	-			-	-	**-**	0
Corporate Services		-	-	-			-	-	**-**	0
Financial Services		-	-	-			-	-	**-**	0
Town Hall		-	-	-			-	-	**-**	0
Traffic Protection Services		-	-	-			-	-	**-**	0
Local Economic								-	**-**	0
Development		-	-	-				-	**-**	0
Mechanical Workshop		-	-	-			-	-	**-**	0
									-	
TOTAL CARRIED FORWARD	**18 755 479**	**5 972 305**	**-217 153**	**24 510 631**	**-**	**-**	**-**	**-**	**24 510 631**	**5 972 305**

APPENDIX B
MTUBATUBA MUNICIPALITY

ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED 30 JUNE 2008

	COST				ACCUMULATED DEPRECIATION				Carrying Value	Budget Additions
	Opening Balance	Additions	Disposals/ Transfers	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance		2007
				R				R		
TOTAL BROUGHT FORWARD	**18 755 479**	**5 972 305**	**-217 153**	**24 510 631**	**-**	**-**	**-**	**-**	**24 510 631**	**5 972 305**
HERITAGE ASSETS	**875 001**	**0**	**0**	**875 001**	**0**	**0**	**0**	**0**	**875 001**	**0**
Historical Buildings			-	-	-	-	-	**0**	-	
Statutes	875 001			875 001					875 001	
OTHER ASSETS	**46 455**	**2 518 748**	**217 535**	**2 781 974**	**0**	**121 240**	**382**	**120 858**	**2 661 116**	**2 518 748**
Landfill Sites	3	1 500 000		1 500 003				0	1 500 003	1 500 000
Office Equipment	15 482	906 648	376	921 754		78 009	376.00	77 633	844 121	906 648
Office Furniture & Fittings	-	112 100	217 153	329 253		32 925		32 925	296 328	112 100
Motor Vehicles	2		2	-			2	-2	2	0
Fire Engines	1		1	-			1	-1	1	0
Refuse Tankers	1		1	-			1	-1	1	0
Computer Equipment	30 920			30 920		10 306		10 306	20 614	0
Security Measures	1			1				0	1	0
Plant & Equipment	45		2	43			2	-2	45	0
								0	-	0
NET TOTAL	**19 676 935**	**8 491 053**	**382**	**28 167 606**	**-**	**121 240**	**382**	**120 858**	**28 046 748**	**8 491 053**

APPENDIX C

MTUBATUBA MUNICIPALITY

SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT

FOR THE YEAR ENDED 30 JUNE 2008

	COST					ACCUMULATED DEPRECIATION				Carrying Value
	Opening Balance	Additions	Under Construction	Disposals/ Transfers	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
Executive and Council	18 323 604	641 649	-	20	**18 965 233**				**-**	**18 965 233**
Finance and Admin.	191	332 414	-	28	**332 577**				**-**	**332 577**
Planning and	-				**-**				**-**	**-**
Development	-		-	-	**-**				**-**	**-**
Public Works	37	1 678 192		2	**1 678 227**				**-**	**1 678 227**
Community and Social	1 308 442	4 127 310		317	**5 435 435**		121 240		**121 240**	**5 314 195**
Services	-		-	-	**-**				**-**	**-**
Public Safety	44 650	95 776	-	12	**140 414**				**-**	**140 414**
Waste Management	11	1 615 712	-	3	**1 615 720**				**-**	**1 615 720**
Other	-		-	-	**-**				**-**	**-**
					-				**-**	
TOTAL	**19 676 935**	**8 491 053**	**-**	**382**	**28 167 606**	**-**	**121 240**	**-**	**121 240**	**28 046 366**

APPENDIX D

MTUBATUBA MUNICIPALITY

SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30JUNE 2008

2007 ACTUAL INCOME R	2007 ACTUAL EXPENDITURE R	2007 SURPLUS / (DEFICIT) R		2008 ACTUAL INCOME R	2008 ACTUAL EXPENDITURE R	2008 SURPLUS / (DEFICIT) R
1 741 362	2 965 918	-1 224 556	**Executive and Council**	434 000	3 838 806	-3 404 806
16 329 376	3 868 905	12 460 471	**Finance and Admin.**	20 483 561	10 405 893	10 077 668
88 452	471 427	-382 975	**Planning and Development**	60 285	750 532	-690 247
28 943	4 340 853	-4 311 910	**Pubic Works**	-	4 431 616	-4 431 616
989 965	3 029 952	-2 039 987	**Community and Social Services**	1 088 930	3 717 053	-2 628 123
2 000 992	1 623 604	377 388	**Public Safety**	1 851 695	2 262 451	-410 756
1 740 502	3 446 892	-1 706 390	**Waste Management**	1 943 238	3 743 546	-1 800 308
-	-		**Other**	-	-	-
-	-		**Bad Debts**	-	-	-
22 919 592	**19 747 551**	**3 172 041**	**Sub-total**	**25 861 709**	**29 149 897**	**-3 288 188**
-	-	-	**Less: Inter Departmental Charges**	-	-	-
-	-	-	**Less: Amortised cost adjustment**	-	-	-
22 919 592	**19 747 551**	**3 172 041**	**TOTAL**	**25 861 709**	**29 149 897**	**-3 288 188**

APPENDIX E(1)

MTUBATUBA MUNICIPALITY

MTUBATUBA MUNICIPALITY: ACTUAL VERSUS BUDGET (REVENUE AND EXPENDITURE) FOR THE YEAR ENDED 30 JUNE 2008

	2008 ACTUAL R	2008 BUDGET R	2008 VARIANCE R	2008 VARIANCE %	EXPLANATION OF SIGNIFICANT VARIANCES GREATER THAN 10% VERSUS BUDGET
REVENUE					
Assesment Rates	9 293 537	9 239 000	54 537	1	
Waste Management	1 939 384	1 998 000	-58 616	-3	
National Government Grants and Subsidies	6 082 223	6 082 000	223	0	
Provincial Government Grants and Subsidies	562 900	-	562 900	100	
Interest earned - external investments	474 023	250 000	224 023	90	
Other income	7 509 642	9 593 000	-2 083 358	-22	
Gains on disposal of property, plant and equipment	-	-	-		
TOTAL REVENUE	**25 861 709**	**27 162 000**	**-1 300 291**	**-5**	
EXPENDITURE					
Employee Related Costs	11 926 380	11 816 000	110 380	1	
Remuneration of Councillors	1 528 145	1 664 000	-135 855	-8	
Depreciation	121 240	799 000	-677 760	-85	
General Expenses	7 049 277	5 443 000	1 606 277	30	
Repairs and Maintenance	2 208 456	2 900 000	-691 544	-24	
Interest on External Borrowings	40 266	-	40 266	-100	
Contributions	180 814	157 000	23 814	15	
Bad debts (provision)		-	-	-	
Grants Expenditure	2 020 254	4 383 000	-2 362 746	-54	
General expenses - other	4 075 065		4 075 065	100	
TOTAL EXPENDITURE	**29 149 897**	**27 162 000**	**1 987 897**	**7**	
NET SURPLUS/(DEFICIT) FOR THE YEAR	-3 288 188	-	-3 288 188		

APPENDIX E(2)

MTUBATUBA MUNICIPALITY

ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2008

	2008 ACTUAL	2008 UNDER CONSTRUC-TION	2008 TOTAL ADDITIONS	2008 BUDGET	2008 VARIANCE	%
	R	R	R	R	R	
INFRASTRUCTURE	**5 037 952**	**-**	**5 037 952**	**5 037 952**	**-**	**-**
Land &Building	3 748 340		3 748 340	3 748 340	-	0.0
Roads ,pavements,bridges& stormwater	1 265 955		1 265 955	1 265 955	-	0.0
Street Lighting	23 657		23 657	23 657	-	0.0
COMMUNITY ASSETS	**934 353**	**-**	**934 353**	**934 353**	**-**	**-**
Sportsfields	66 241	-	66 241	66 241	-	0.0
Community Halls	223 075	-	223 075	223 075	-	0.0
Libraries	645 037	-	645 037	645 037	-	0.0
OTHER ASSETS	**2 518 748**	**-**	**2 518 748**	**1 018 748**	**1 500 000**	**-**
Landfill sites	1 500 000		1 500 000		1 500 000	0.0
Other Motor Vehicles	-	-	-	-	-	0.0
Security Measures	-	-	-	-	-	0.0
Computer Equipment		-	-	-	-	0.0
Office Furniture & Fittings	112 100		112 100	112 100	-	0.0
Office Equipment	906 648	-	906 648	906 648	-	0.0
TOTAL	**8 491 053**	**-**	**8 491 053**	**6 991 053**	**1 500 000**	

APPENDIX F

MTUBATUBA MUNICIPALITY

DISCLOSURE OF GRANTS AND SUBSIDIES IN TERM OF SECTION 123 OF MFMA 56 OF 2003

	NAME OF GRANT	NAME OF ORGAN OF STATE	QUARTERLY RECEIPTS				QUATERLY EXPENDITURE				GRANTS AND SUSIDIES DELAYED WITHHELD	REASON FOR DELAY/WITHHOLDING OF FUNDS	COMPIANCE WITH THE GRANT CONDITIONS IN TERMS OF GRANT FRAMEWORK	REASON FOR NON-COMPLIANCE
			SEPT.	DEC.	MARCH	JUNE	SEPT.	DEC.	MARCH	JUNE				
1	Disaster Claim Low Cost Housing	PG	-	-	-	-	-	-	-	-	N/A	N/A	YES	N/A
2	M A P Control	PG	-	-	-	-	105 354	63 414	32 378	105 850	N/A	N/A	YES	N/A
3	I D P Review	PG	-	-	-	220 000	156 229	4 284	13 827	46 479	N/A	N/A	YES	N/A
4	P M S	PG	262 900	-	-	-	-	-	-	134 909	N/A	N/A	YES	N/A
5	Indigent Support	PG	-	-	-	-	-	-	-	35 730	N/A	N/A	YES	N/A
6	Lums	PG	-	3 000	-	-	-	11 247	-	34 753	N/A	N/A	YES	N/A
7	G I S	PG	-	-	-	-	-	-	-	-	N/A	N/A	YES	N/A
8	LED Implementation Plan	PG	-	-	-	66 951	-	-	-	41 895	N/A	N/A	YES	N/A
9	Finance Management Grant	NG	-	250 000	-	-	68 036	42 466	150 853	280 918	N/A	N/A	YES	N/A
10	D C 27 Grant	PG	-	-	-	-	-	-	-	30 000	N/A	N/A	YES	N/A
11	Gijima Tourism Strategy	PG	-	71 181	-	-	-	-	-	64 001	N/A	N/A	YES	N/A
12	Library Service Fund	PG	-	157 422	-	-	353 633	3 788	216 529	90 166	N/A	N/A	YES	N/A
13	Kwamsane Library Grant	PG	-	-	-	-	-	-	4 000	2 916	N/A	N/A	YES	N/A
14	E - Learning	PG	-	-	-	-	131 594	701	-	1 760	N/A	N/A	YES	N/A
15	Property Rates Act	PG	-	-	-	-	-	-	-	-	N/A	N/A	YES	N/A
16	Inter Dept Monitoring	PG	-	-	-	-	-	39 656	20 344		N/A	N/A	YES	N/A
17	M F M A	PG	-	-	-	-	-	-	-	-	N/A	N/A	YES	N/A
18	Int Departmental Monitoring	PG	-	-	-	-	-	-	20 600	19 400	N/A	N/A	YES	N/A
19	Mun Development Planning	PG	-	-	-	100 000	-	-	-	-	N/A	N/A	YES	N/A
20	Cultural Centre Grant	PG	-	-	-	-	12 240	6 120	3 082	-	N/A	N/A	YES	N/A
21	Indigent Support	PG	-	-	-	-	15 507	5 996	-	-	N/A	N/A	YES	N/A
22	MSIG Grant (For M.P.R.A)	PG	367 000	367 000	-	-	-	-	-	-	N/A	N/A	YES	N/A
23	Mtubatuba Library assistant	PG	-	-	177 800	-	-	-	-	35 843	N/A	N/A	YES	N/A
			629 900	**848 603**	**177 800**	**386 951**	**842 593**	**177 672**	**461 613**	**924 620**	**N/A**	**N/A**	**YES**	**N/A**